



SFSF APR Public Report for PUERTO RICO

<u>I.A. Distribution of Education Stabilization funds to local educational agencies (LEAs)</u>
<u>I.B. Distribution of Education Stabilization funds to public institutions of higher education (IHEs)</u>
<u>I.C. Distribution of Government Services funds (GSF) to entities</u>
<u>II.A. Uses of Education Stabilization funds by LEAs</u>
<u>II.B. Uses of Education Stabilization funds by public IHEs</u>
<u>II.C. Uses of Government Services funds by entities</u>
<u>III.A. & B. Tuition and Fees</u>
<u>III.C. Enrollment</u>
<u>IV. Tax Increases Averted</u>
<u>V. Jobs Saved or Created</u>
<u>VI. Progress in Advancing Education Reform</u>
<u>Certification of review of submission</u>

I.A. Distribution of Education Stabilization funds to local educational agencies (LEAs)

Distribution of Education Stabilization funds (CFDA No. 84.394) to local educational agencies (LEAs):

Total amount of Education Stabilization funds made available to LEAs for obligation from October 1, 2010 through September 30, 2011 (Funds Made Available): **\$180,005,206.09**

Provide a list of the LEAs in the state and the total amount of Education Stabilization funds made available to them for obligation from October 1, 2010 to September 30, 2011:

LEA Name	NCES ID	Funds Made Available (2010) \$	Funds Made Available \$
PUERTO RICO DEPARTMENT OF EDUCATION	7200030	359,302,000	180,005,206.09

I.B. Distribution of Education Stabilization funds to public institutions of higher education (IHEs)

Distribution of Education Stabilization funds (CFDA No. 84.394) to public institutions of higher education (IHEs):

Total amount of Education Stabilization funds made available to IHEs for obligation from October 1, 2010 through September 30, 2011 (Funds Made Available): **\$18,658,312.67**

Provide a list of the public IHEs in the state and the total amount of Education Stabilization funds made available to them for obligation October 1, 2010 to September 30, 2011:

IHE Name	IPEDS ID	2-year or 4 year	Funds Made Available (2010) \$	Funds Made Available\$

PUERTO RICO CONSERVATORY OF MUSIC	P2417662	4-year	1,583,000	3,119,889
PUERTO RICO SCHOOL OF FINE ARTS	241951	4-year	798,000	538,423.55
UNIVERSITY OF PUERTO RICO	P2431601	4-year	105,000,000	15,000,000

I.C. Distribution of Government Services funds (GSF) to entities

Distribution of Government Services funds (CFDA No. 84.397) to entities:

Total amount of Government Services funds made available to LEAs, IHEs, or other entities for obligation from October 1, 2010 through September 30, 2011 (Funds Made Available):

\$17,256,232.50

Provide a list of entities (including state agencies) to which the state has awarded GSF and the total amount of Government Services funds made available to each entity for obligation from October 1, 2010 to September 30, 2011:

Entity Name	Entity ID	Funds Made Available (2010) \$	Funds Made Available\$
PUERTO RICO GOVERNOR OFFICE	000009		240,000
PUERTO RICO INFRASTRUCTURE AND FINANCING AUTHORITY	000006	62,043,931.6	16,206,375.34
PUERTO RICO POLICE DEPARTMENT	000001	41,698,142.84	1,079,857.16

II.A. Uses of Education Stabilization funds by LEAs

Provide a concise narrative of how LEAs in your state have generally used Education Stabilization funds, and the impact that the funds had on elementary and secondary education in your State from October 1, 2010 to September 30, 2011:

Entry from previous timeframe:

Payroll and related costs \$ 209,151,498.00 Transportation Services \$ 23,300,000.00 Achievements Standards \$ 14,000,000.00 Ganadores Camp \$ 2,500,000.00 Tus Valores Cuentan \$ 6,752,351.00 Nuevos Distritos para la excelencia escolar \$ 3,000,000.00 SIE Upgrade \$ 100,000.00 Data Warehouse for EDFACTS \$ 440,000.00 Payroll Fiscal Year 2010-2011 \$ 86,877,147.00

Please update for the new timeframe:

Puerto Rico is a unitary system and it has only one LEA. The Education Stabilization funds were significantly used to recruit and retain teachers. As a direct result of the availability of these funds, Puerto Rico was able to exclude teachers from the government payroll cuts and maintain the current level of support.

Estimate the total amount of Education Stabilization funds draw downs that the State made on behalf of LEAs, from October 1, 2010 to September 30, 2011, under the following categories:

Salaries and benefits:	\$127,333,205.00
Contracts for construction, modernization, renovation, or repair projects:	\$0.00
Other:	\$52,672,001.00
Total:	\$180,005,206.00

SFSF \$ Total \$ Activities

PUERTO RICO DEPARTMENT OF EDUCATION-7200030 (1 Activity)

180,005,206 180,005,206 Payroll and fringe benefits payments. Transportation,

II.B. Uses of Education Stabilization funds by public IHEs

Provide a concise narrative of how public IHEs in your State have generally used Education Stabilization funds, and the impact that the funds have had on postsecondary education in your State from October 1, 2010 to September 30, 2011:

Entry from previous timeframe:

The amounts receive was used to pay salaries and fringe benefits professors. The amount used for the period ended in September 30 2010 was 106,837,698.34 or a 99% of th funds assigned.

Please update for the new timeframe:

The Education Stabilization funds were mainly used to retain faculty through the payment of payroll and fringe benefits expenses at the University of Puerto Rico, Conservatorio de Música de Puerto Rico (CMPR) and Escuela de Artes Plásticas de Puerto Rico (EAP). As a direct result of the availability of these funds, Puerto Rico was able to secure faculty positions and maintain the level of support for public institutions of higher education. Also, accessibility to quality public postsecondary education for low-income students was assured.

Estimate the total amount of Education Stabilization funds draw downs that the State made on behalf of public IHEs, from October 1, 2010 to September 30, 2011, under the following categories:

Salaries and benefits:	\$18,658,312.67
Student financial assistance:	\$0.00
Contracts for modernization, renovation, or repair projects:	\$0.00
Other:	\$0.00
Total:	\$18,658,312.67

SFSF \$	Total \$	Activities
PUERTO RICO CONSERVATORY OF MUSIC-P2417662 (1 Activity)		
3,119,889	3,119,889	Payroll and fringe benefit payments
PUERTO RICO SCHOOL OF FINE ARTS-241951 (1 Activity)		
538,423.67	538,423.67	Payroll and fringe benefits payments
UNIVERSITY OF PUERTO RICO-P2431601 (1 Activity)		
15,000,000	15,000,000	Payroll and fringe benefits payments

II.C. Uses of Government Services funds by entities

Provide a concise narrative of how entities in your State (including State agencies) have generally used Government Services funds, and how the funds have affected the State's provision of services from October 1, 2010 to September 30, 2011:

Entry from previous timeframe:

The Governmental Service Fund total was 117,864,326.00 and original distribution was 47% for the Schools Renovations, 36% for Public Safety and 17% for ARRA Implementation. For the period ending in September 30 2010 the drawdown amounts equals \$ 100,198,581.49 . In terms of percentage, 74% of the School renovations funds are used, 97% of Public Safety funds are used and 87% of the ARRA Implementation Funds are used.

Please update for the new timeframe:

The Government Services funds were mainly used for school basic infrastructure improvements through the Puerto Rico Infrastructure Financing Authority. Thanks to these funds school facilities better met our students' needs in terms of providing a better educational experience and adequate learning spaces. The funds were also used to cover some Puerto Rico's Police Department payroll expenses which aided in maintaining the level of support in terms of public safety.

Estimate the total amount of Government Services funds that the State has drawn down on behalf of its subrecipients, from October 1, 2010 to September 30, 2011, under the following categories:

Elementary and secondary education (excluding construction, modernization, renovation, or repair of public school facilities):	\$13,439,460.83
Construction, modernization, renovation, or repair of public school facilities:	\$0.00
Modernization, renovation, or repair of public IHE facilities:	\$0.00
Public IHEs (excluding modernization, renovation, or repair of public IHE facilities):	\$0.00
Public safety:	\$1,079,856.16
Public assistance:	\$0.00
Transportation:	\$0.00
Other:	\$2,754,417.14
Total:	\$17,273,734.13

SFSF \$	Total \$	Activities
PUERTO RICO GOVERNOR OFFICE-000009 (1 Activity)		
240,000	240,000	Funds were used to pay administrative cost of SFSF funds.
PUERTO RICO INFRASTRUCTURE AND FINANCING AUTHORITY-000006 (1 Activity)		
15,953,877.97	15,953,877.97	Funds were used in the modernization and renovation of all public schools all around the 78 counties of the Island. The amount was also used to pay the administrative cost of ARRA funds.
PUERTO RICO POLICE DEPARTMENT-000001 (1 Activity)		
1,079,856.16	1,079,856.16	The funds were used to pay Payroll and Fringe Benefits.

III.A. & B. Tuition and Fees

Describe any actions taken by the State to limit increases in tuition and fees imposed by public IHEs for in-State students:

Entry from previous timeframe:

Please update for the new timeframe:

The University of Puerto Rico (UPR) instituted substantial cost-cutting measures to avoid tuition increases, such as: reductions in general expenses, partial replacement of retired employees, a suspension of benefits not required by law, a revision of tuition exemption policies, financing some activities by generating external revenues to cover associated costs, among others. Also, a \$30 million targeted budget appropriation was made available to the UPR with the enactment of Law 46 of 2011 to establish a scholarship fund. Notwithstanding the above, the UPR units remain among the first 45 Public 4-year institutions with the lowest tuition, as recently reported by the US Department of Education National Center for Education Statistics.

For each 2- or 4-year public IHE, please provide the tuition and mandatory fee amounts for in-

State students for school years 2008-2009, 2009-2010, and 2010-2011:

Data should be provided for all four-year and two-year public IHEs. Private IHEs should not be included.

IHE Name	IPEDS	2-year or 4-year	Academic Year	Avg Annual Undergrad Tuition\$	Mandatory Fees\$
PUERTO RICO CONSERVATORY OF MUSIC	P2417662	4-year	2008-09	75	250
PUERTO RICO CONSERVATORY OF MUSIC	P2417662	4-year	2009-10	75	250
PUERTO RICO CONSERVATORY OF MUSIC	P2417662	4-year	2010-11	75	250
PUERTO RICO SCHOOL OF FINE ARTS	241951	4-year	2008-09	2,517	211
PUERTO RICO SCHOOL OF FINE ARTS	241951	4-year	2009-10	2,783	250
PUERTO RICO SCHOOL OF FINE ARTS	241951	4-year	2010-11	4,404	375
UNIVERSITY OF PUERTO RICO	P2431601	4-year	2008-09	47	1,036
UNIVERSITY OF PUERTO RICO	P2431601	4-year	2009-10	49	1,036
UNIVERSITY OF PUERTO RICO	P2431601	4-year	2010-11	51	1,036

III.C. Enrollment

Student enrollment data:

Data should be provided for all four-year and two-year public IHEs. Private IHEs should not be included.

IHE Name	IPEDS	2-year or 4-year	Academic Year	Full Time or Part Time Undergrad	Enrollment	Students Eligible for Any Need-Based Financial Assistance (including Pell grants)	Students Eligible for Pell Grants
PUERTO RICO CONSERVATORY OF MUSIC	P2417662	4-year	2008-09	Full time	296	0	296
PUERTO RICO CONSERVATORY OF MUSIC	P2417662	4-year	2008-09	Part time	109	0	109
PUERTO RICO CONSERVATORY OF MUSIC	P2417662	4-year	2009-10	Full time	287	0	287
PUERTO RICO CONSERVATORY OF MUSIC	P2417662	4-year	2009-10	Part time	86	0	86
PUERTO RICO CONSERVATORY	P2417662	4-year	2010-11	Full time	292	0	292

OF MUSIC							
PUERTO RICO CONSERVATORY OF MUSIC	P2417662	4-year	2010-11	Part time	114	0	114
PUERTO RICO SCHOOL OF FINE ARTS	241951	4-year	2008-09	Full time	345	328	307
PUERTO RICO SCHOOL OF FINE ARTS	241951	4-year	2008-09	Part time	111	97	97
PUERTO RICO SCHOOL OF FINE ARTS	241951	4-year	2009-10	Full time	365	355	340
PUERTO RICO SCHOOL OF FINE ARTS	241951	4-year	2009-10	Part time	165	99	95
PUERTO RICO SCHOOL OF FINE ARTS	241951	4-year	2010-11	Full time	327	320	317
PUERTO RICO SCHOOL OF FINE ARTS	241951	4-year	2010-11	Part time	195	136	140
UNIVERSITY OF PUERTO RICO	P2431601	4-year	2008-09	Full time	52,546	33,932	24,130
UNIVERSITY OF PUERTO RICO	P2431601	4-year	2008-09	Part time	11,006	2,857	940
UNIVERSITY OF PUERTO RICO	P2431601	4-year	2009-10	Full time	61,095	37,868	24,213
UNIVERSITY OF PUERTO RICO	P2431601	4-year	2009-10	Part time	8,535	1,953	452
UNIVERSITY OF PUERTO RICO	P2431601	4-year	2010-11	Full time	54,633	12,565	2,732
UNIVERSITY OF PUERTO RICO	P2431601	4-year	2010-11	Part time	7,154	4,435	2,146

IV. Tax Increases Averted

Estimate the degree to which State tax increases were averted because of the availability of SFSF funds.

Entry from previous timeframe:

In January of 2009 Puerto Rico faced a \$3.306 billion structural deficit representing 44% of the General Fund's revenues; the largest among the States. In order to avert an immediate crisis, regain fiscal stability and bridge the gap towards a balanced budget, the Government of Puerto Rico implemented several fiscal emergency measures. While SFSF funds allocated to Puerto Rico certainly contributed by alleviating some budgetary pressures, emergency measures would have been enacted due to the severity of the fiscal situation. Among these measures was Act 7 of 2009, named "The Special Law Declaring a Fiscal State of Emergency and Establishing an Integral Fiscal Stabilization Plan to Save Puerto Rico's Credit Rating (The Act)." The Act established tax increase and cost cutting measures that had an immediate effect of reducing government expenditures in proportion to revenues and tracing the path towards fiscal stability. SFSF funds played a fundamental role in our multi-year budgetary planning, however, the severity of the crisis called for a much more holistic approach to stabilization that included tax increase measures to complement the allocated SFSF funds.

Please update for the new timeframe:

In January of 2009 Puerto Rico faced a \$3.306 billion structural deficit representing 44% of the General Fund's revenues; the largest among the States. In order to avert an immediate crisis, regain fiscal stability and bridge the gap towards a balanced budget, the Government of Puerto Rico implemented several fiscal emergency measures. While SFSF funds allocated to Puerto Rico certainly contributed by alleviating some budgetary pressures, emergency measures would have been enacted due to the severity of the fiscal situation. Among these measures was Act 7 of 2009, named "The Special Law Declaring a Fiscal State of Emergency and Establishing an Integral Fiscal Stabilization Plan to Save Puerto Rico's Credit Rating (The Act)." The Act established tax increase and cost cutting measures that had an immediate effect of reducing government expenditures in proportion to revenues and tracing the path towards fiscal stability. SFSF funds played a fundamental role in our multi-year budgetary planning, however, the severity of the crisis called for a much more holistic approach to stabilization that included tax increase measures to complement the allocated SFSF funds.

V. Jobs Saved or Created

In its quarterly reports submitted under section 1512 of ARRA, each State provided data on, among other things, the number of jobs estimated to have been saved or created as a result of SFSF support. The Department will use the information that has been reported to determine the number of jobs that have been saved or created. For the purposes of the Initial Annual Report, the State is not required to provide any additional information on the number of jobs estimated to have been saved or created.

Jobs Reported Saved or Created in the First APR:

	Reported Jobs for 02/17/09 - 09/30/09	Reported Jobs for 10/01/09 - 12/31/09	Reported Jobs for 01/01/10 - 03/31/10	Reported Jobs for 04/01/10 - 06/30/10	Reported Jobs for 07/01/10 - 09/30/10
Education Grants	4,292.41	4,568.6	4,467.9	4,463	2,998
Government Services	1,481.5	402	1,103.16	148.5	77.5

Jobs Reported Saved or Created in the Second APR:

Reported Jobs for 10/01/10 -	Reported Jobs for 01/01/11 -	Reported Jobs for 04/01/11 -	Reported Jobs for 07/01/11 -
---	---	---	---

	12/31/10	03/31/11	06/30/11	09/30/11
Education Grants	2998	3383	2998	2987
Government Services	38	13.63	7.78	645.75

VI. Progress in Advancing Education Reform

A. Reducing inequities in the distribution of highly qualified teachers:

Describe the steps that the State has taken, from October 1, 2010 through September 30, 2011, to reduce inequities in the distribution of highly qualified teachers.

Entry from previous timeframe:

The Puerto Rico Department of Education, the single LEA in Puerto Rico's public schools system, continues to implement a variety of strategies to ensure the equitable distribution of highly qualified teachers. The most recent EDFacts file submission, reports 1,462 schools operating during the 2010-11 school year. 1,456 (99.6%) of them are Title I schools (1,371-SW and 85 TAS). The PRDE conducts a biannual HQT Census during the months of January and June to collect and publish the most accurate data of highly qualified teachers in the system. The ongoing monitoring and reporting of these data was contained within Task 10 of the quarterly reports submitted by PRDE as part of the 2007 Compliance Agreement with USDE, which recently expired on December 17, 2010. The reporting system, which is the responsibility of PRDE's Institute for Teacher Professional Development as PRDE's HQT Data Manager, will continue through EDFacts Submission Plan and the Progress Tracking Tool (PTT). The latter is a monitoring instrument developed jointly by PRDE and USDE, to verify that program compliance and grants management tasks and activities related to federal education funds are fulfilled in a timely manner and documented. EDFacts submittals and reports on the PTT tasks and activities related to HQT are tracked on a monthly basis by PRDE's Office of Federal Affairs. They are discussed internally to monitor progress and discussed on periodic conference calls with USDE ESEA office staff to assure compliance. The tasks and activities included in the PTT are reviewed annually and enhancements are added each year to improve PRDE's performance and accountability. In terms of public policy, PRDE requires that teachers assigned to the basic subject areas are HQT. There are a total of 36,005 teachers assigned to teach the core subjects of Spanish, English, Math, Science, Fine Arts and Special Education, as defined by PRDE. 33,010 (92%) of them are HQT as reflected by the data collected in the most recent Census. The most recent percentage reported in EDFacts of core academic classes taught by teachers who are highly qualified for the 2009-10 school year is 82.7%. PRDE continues to offer transportation incentives for certified teachers to teach in high-poverty schools and hard-to-staff school districts, and pays for university course credits for teachers seeking to become certified in hard-to-recruit subjects (i.e. Special Education, Biology, Chemistry, Physics and English, among others). The Institute for Teacher Professional Development conducts regional and district orientation sessions to review the HQT recruitment criteria and publishes memorandums on compliance requirements. Also, PRDE is promoting institutions of higher education (IHE's) become more rigorous in their admissions criteria for students enrolling in teacher preparation programs and is increasing the GPA graduation requirement to obtain an HQT teacher certificate from 2.5 to 3.00. The policy was established and announced to education faculty deans and presidents of IHEs' on the October of 2010 and will become effective on the start of the 2011-12 school year.

Please update for the new timeframe:

The Puerto Rico Department of Education, the single LEA in Puerto Rico's

public schools system, continues to implement a variety of strategies to ensure the equitable distribution of highly qualified teachers. The most recent EDFacts file submission, reports 1,483 schools operating during the 2010-11 school year. 1,456 (99.6%) of them are Title I schools (1,371-SW and 85 TAS). The PRDE conducts a biannual HQT Census during the months of January and June to collect and publish the most accurate data of highly qualified teachers in the system. The ongoing monitoring and reporting of these data was contained within Task 10 of the quarterly reports submitted by PRDE as part of the 2007 Compliance Agreement with USDE, which expired on December 17, 2010. The reporting system, which is the responsibility of PRDE's Institute for Teacher Professional Development as PRDE's HQT Data Manager, will continue through EDFacts Submission Plan. EDFacts submittals and activities related to HQT are tracked periodically by the PRDE's EDFacts Coordinator at the Planning Office. They are discussed internally to monitor progress. In terms of public policy, PRDE requires that teachers assigned to the basic subject areas are HQT. There are a total of teachers assigned to teach the core subjects of Spanish, English, Math, Science, Fine Arts and Special Education, as defined by PRDE. 32,555 (92%) of them are HQT as reflected by the data collected in the most recent Census. The most recent percentage reported in EDFacts of core academic classes taught by teachers who are highly qualified for the 2010-11 school year is 84.2%. PRDE continues to offer transportation incentives for certified teachers to teach in high-poverty schools and hard-to-staff school districts, and pays for university course credits for teachers seeking to become certified in hard-to-recruit subjects (i.e. Special Education, Biology, Chemistry, Physics and English, among others). The Institute for Teacher Professional Development conducts regional and district orientation sessions to review the HQT recruitment criteria and publishes memorandums on compliance requirements. Also, PRDE has promoted that institutions of higher education (IHE's) become more rigorous in their admissions criteria for students enrolling in teacher preparation programs. On January 25, 2012, the Teacher Certification Rules and Regulations ("Reglamento para la Certificacion del Personal Docente de PR" Num. 81.46) were amended and approved to establish that teachers to be recruited during 2013 have a 2.8 GPA minimum eligibility requirement. The GPA requirement will increase to 3.0 for 2016.

Certification of review of submission

Note: This page should be certified by the governor or an authorized representative of the governor.

☒ I certify that, to the best of my knowledge, the information in this report is accurate and complete and conforms to the definitions and instructions used in the *Reference and User Manual*.

Full name and title: **Tomas Binet Guerrero**

Questions about the State Fiscal Stabilization Fund program should be sent to:
State.Fiscal.Fund@ed.gov